July 16, 2015

Via ECFS
Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Ex Parte Letter: AT&T and DirecTV Merger Proceeding, MB Docket No. 14-90

Dear Ms. Dortch:

On July 14, 2015, Ronald Gordon, Chief Executive Officer of ZGS Communications, Inc. ("ZGS"), Cynthia Martinez, also a management-level official of ZGS, and Francisco Montero of the law firm of Fletcher, Heald & Hildreth, PLC, met with Channell P. Hardy, Chief of Staff and Media Legal Advisor of the Office of Commissioner Mignon L. Clyburn. During this meeting, ZGS and Ms. Hardy discussed the attached presentation and the refusal of DirecTV to carry ZGS’s Spanish-language, local programming.

Respectfully submitted,

Francisco M. Montero
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1300 17th Street North, 11th Floor
Arlington, Virginia 22209

Counsel for ZGS Communications, Inc.

Enclosure
cc: Channell P. Hardy, Chief of Staff and Media Legal Advisor, Office of Commissioner Mignon Clyburn (w/encl.)
Local Carriage Commitment

“The Right Thing to Do”

July 8, 2015
ZGS AT-A-GLANCE

• Strong and successful Spanish-language TV operator for 30 years with a solid reputation for excellence
  – Strong operations, dedicated teams
  – Continuous investment in local content and stations

• Dedicated to localism
  – Quality local news in top markets
  – More local programming than any other Spanish broadcaster
  – Extensive community service – our mission and responsibility
  – Strong civic engagement

• 25-year affiliate partnership with Telemundo

• Only Hispanic-owned TV broadcast group in the U.S.
  – 180+ employees, 94% are female and/or minority
  – Strong commitment to diversity and developing media professionals
SERVING OUR LOCAL COMMUNITIES

• Local early and late news in Top 20 markets
  – Highest journalistic standards to inform and educate the Hispanic community
  – Public safety and emergency notices
  – Up-to-the-minute weather reports
  – Award-winning local newscasts

• Culturally relevant and community affairs programming
  – Agenda
  – hola ciudad teve!
  – Línea Directa
  – Telediario
  – Telenoticias Xtra
  – Two Zona
  – ...and much more!

“La Voz de la Comunidad” – The Voice of our Community
SERVING OUR LOCAL COMMUNITIES

• Civic engagement and public service initiatives
  – Vota por tu Futuro – registration and GOTV
  – Affordable Care Act Town Halls
  – Línea de Ayuda – Help Line
  – Buena Vida Health Expo
  – Education
    o Hispanic Heritage Scholarship Award
    o Educación a su alcance

• Celebration of Hispanic heritage and culture
  – La Feria de la Familia
  – Fiesta de las Madres
  – Hispanic Heritage Festivals
  – ... and much more!
ZGS STATION GROUP RATINGS HIGHLIGHTS

- ZGS stations are local news leaders
- WTMO is the #1 Spanish-language station in Orlando sign-on to sign-off and primetime among major demos
- WRMD leads all Spanish language stations in Tampa in primetime, and has the #1 Spanish-language newscast at 6pm and 11pm
- KTDO is El Paso’s #1 station in primetime, regardless of language
- WWDT is the #2 broadcast station in Fort Myers in primetime, regardless of language
- WRDM is the Spanish-language leader in Hartford in primetime among key demos

Source: Nielsen Station Index, May Sweeps 2015.
ZGS STATIONS LEAD PRIMENTIME VIEWING IN KEY MARKETS

Source: Nielsen NSI 7 M-F 6-10pm (El Paso) and M-F 7-11pm. May Sweeps 2015. Based on A25-54.
Spanish share calculation includes each market’s local Telemundo, Univision, and UniMas station, except for Fort Myers which does not include UniMas, but MundoFox.
ZGS LOCAL NEWS IS THE PREFERRED SPANISH-LANGUAGE NEWSCAST IN SEVERAL MARKETS

Source: Nielsen NSI. M-F 10-10:30pm (El Paso) and M-F 11-11:30pm. May sweeps 2015. Based on A25-54, except for El Paso which is based on A18-34. Spanish share calculation includes each market’s local Telemundo, Univision, and UniMas station, except for Fort Myers which does not include UniMas, but MundoFox.
DIRECTV’S FAILURE TO SERVE

• Systematic refusal to fully serve the Hispanic community
  – Over 12 years of effort to secure carriage
  – Multiple reasonable proposals – no fees, marketing support
  – Sizeable communities denied service

• Only Hispanic community denied local service
  – Only television station with local news NOT carried in market
  – Carry network signal in SD rather than local station in HD

• Marketing efforts misrepresent local station carriage

• Almost all other MVPDs carry ZGS stations

Class A – *A poor excuse to deny the Hispanic community local service*
DIRECTV SHOULD DO THE RIGHT THING

• DirecTV should commit to fully serving Hispanic communities

• Commit to fairly evaluate local carriage options
  – Consider:
    o Size of Hispanic population in market
    o Stations that produce local news and programming
    o Number of locally active Spanish stations
    o Relative audience shares

• All top local stations should be in DirecTV lineup

• FCC should demand that DirecTV stop denying Hispanic consumers local service